711 Capitol Way, Room 206 Olympia Washington

Public Disclosure Commission

Susan Brady, Chair Lois Clement, Vice Chair Earl Tilly, Secretary Francis Martin, Commissioner Mike Connelly, Commissioner

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Public Hearing and Adoption of Proposed Rules

The Commission adopted the proposed amendments to **WAC 390-05-400 Changes in Dollar Amounts.** The amendment increased the contribution limits established under Initiative 134.

Among the changes made were an increase in contribution limits for legislative campaigns from \$625 to \$675 per election and for Statewide Executive Office campaigns from \$1,250 to \$1,350 per election. The per registered voter limit for State Political Party and Caucus Political Committees increased from \$.64 per registered voter to \$.68 per registered voter.

The new limits will be effective on January 1, 2004.

New and amended enforcement rules under **Chapter 390-37 WAC** were also adopted by the Commission at the public hearing in Olympia.

The action was taken to update the Public Disclosure Commission's enforcement hearing (adjudicative proceedings) rules to make them more closely reflect current practices and new case law and to address the current Administrative Procedure Act at chapter 34.05 RCW which governs agency hearings under the APA.

Continuation of Rule-Making Process

The Commission approved language for draft rule amendments and a draft new rule developed as a continuation of their May 27, 2003 meeting where the concepts were first introduced.

- Draft rule amendment to WAC 390-16-050 Forms for contributions and expenditures of outof state or federal political committees. House Bill 1294, approved by the legislature last
 session, made a number of changes in the reporting requirements of out-of-state and federal
 political committees. The draft amendments incorporate the legislative changes.
- Repeal of WAC 390-16-055 Forfeiture of contributions received from out-of-state or federal political committees. House Bill 1294, which became effective on July 27, 2003, eliminated the forfeiture provisions of RCW 42.17.090 and this rule in no longer needed.

- Draft rule amendment to WAC 390-19-030 Electronic filing Reporting threshold. On January 1, 2004, the threshold for mandatory electronic filing of campaign finance reports is lowered from \$25,000 to \$10,000 in expenditures. The amendments reflect the new threshold level and establishes an additional benchmark for determining when a filer can reasonably "expect to expend" an amount equal to or more than \$10,000.
- Draft new WAC 390-17-105 Small contributors of twenty-five dollars or less. On February 12, 2003 King County Superior Court Judge Richard McDermott issued a permanent injunction enjoining the Commission from taking action to enforce RCW 42.17.680(4). The new rule implements the requirements of the permanent injunction.
- Draft rule amendment WAC 390-16-037 Purpose of campaign expenditures Reporting.
 The draft rule amendment clarifies the existing rule by requiring detailed information and provides three examples of how the "purpose" of expenditure should be reported.
- Draft rule amendment WAC 390-16-205 Expenditures by agents, employees Reporting.
 The draft rule amendment provides examples of how to break down expenditures by agents and employees.
- Draft rule amendment WAC 390-16-041 Forms Summary of total contributions and expenditures. The draft rule amendment clarifies the requirement to provide a detailed break down of expenses on Schedules A and B to the C-4 Report.

The Commission meeting materials acted upon may be found at www.pdc.wa.gov under Commission Meetings at Meeting Agendas and Materials. For additional information concerning these issues contact Doug Ellis, Director of Public Outreach, at (360) 664-2735, toll free 1-877-601-2828 or e-mail at dellis@pdc.wa.gov.